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The Federative Republic of Brazil

The Russian Federation

The Republic of India

The People's Republic of China

The Republic of South Africa

BRICS BUSINESS COUNCIL 2013/2014 ANNUAL REPORT

The Chairpersons of the BRICS Business Council countries are honoured to submit the BRICS Business Council 2013/2014 Annual Report to the Governments of the BRICS nations and would like to express their deep gratitude to the BRICS Governments for their support and guidance.

BRICS BUSINESS COUNCIL

2013/2014

ANNUAL REPORT

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY	4
2. INITIATIVES AND STEPS TO BE TAKEN BY THE BRICS BUSINESS COUNCIL AND BUSINESS IN THE BRICS COUNTRIES	9
3. MEASURES AND INTERVENTIONS TO BE CONSIDERED BY BRICS GOVERNMENTS	10
4. INITIATIVES AND MEASURES WHICH THE BRICS GOVERNMENTS SHOULD CONSIDER UNDERTAKING WITH THE BRICS BUSINESS COUNCIL AND BUSINESS IN THE BRICS COUNTRIES.....	12
5. KEY INDUSTRIES/SECTORS AND PROJECTS THAT EACH BRICS BUSINESS COUNCIL CHAPTER WANTS TO PROMOTE AND ADVANCE IN ITS TRADE, BUSINESS AND INVESTMENT TIES WITH THE OTHER BRICS COUNTRIES, AFRICA AND 3 RD (THIRD) COUNTRIES.....	17
6. BARRIERS AND BOTTLENECKS TO PROMOTING TRADE, BUSINESS AND INVESTMENT TIES AMONGST BRICS COUNTRIES AND BETWEEN BRICS COUNTRIES AND AFRICA.....	34
7. RECOMMENDATIONS ON WHICH THERE ARE DIFFERING VIEWS AMONGST THE BRICS BUSINESS COUNCIL CHAPTERS AND ON WHICH DISCUSSIONS ARE ONGOING	35
8. CONCLUSION	35

1. EXECUTIVE SUMMARY

The BRICS Business Council was established during the BRICS Heads of State Summit of 26-27 March 2013 which was held in Durban, South Africa and in terms of the "Declaration on the establishment of the BRICS Business Council".

The "Declaration on the establishment of the BRICS Business Council" states that, "The BRICS Business Council will constitute a platform which will strengthen and promote economic, trade, business and investment ties amongst the Business communities of the five BRICS countries. The Business Council will ensure that there is regular dialogue between the Business communities of the BRICS nations and the Governments of the BRICS countries. The Business Council will also identify problems and bottlenecks to ensure greater economic, trade and investment ties amongst the BRICS countries and recommend solutions accordingly."

In pursuit of the fulfilment and attainment of the objectives of the BRICS Business Council, the Chairpersons and members of the BRICS Business Council Chapters:

- 1.1. participated in monthly teleconference meetings and attended a BRICS Business Council meeting on 19 August 2013 in Johannesburg, South Africa where, *inter alia*, agreement was reached on the BRICS Business Council Terms of Reference (TOR) and each BRICS Business Council Chapter identified key industries or sectors that it wants to promote and advance in its trade and investment ties with the other BRICS countries and with Africa;
- 1.2. hosted a BRICS Business Council Business Summit on 20 August 2013 in Johannesburg, South Africa which was attended by members of the BRICS Business Council and CEO's from some of the largest BRICS multi-national corporations and prominent African business leaders from 22 countries; and
- 1.3. established 5 (five) BRICS Business Council Industry/Sector Working Groups ("Working Groups") which also held monthly teleconference meetings that started in January 2014. CEO's from prominent BRICS multi-national corporations participate or are represented in the Working Groups.

The Working Groups are:

- the Infrastructure Working Group which includes *transport, rail, road, ports, airlines and airports, grain storage facilities, energy infrastructure projects;*
- the Manufacturing Working Group which includes *pharmaceuticals, healthcare and generic medicines, high technology, value added manufacturing, automotive and auto-parts, siderurgy, electro-electronics industrial equipment, minerals beneficiation and adding value to minerals, steel mills, agro processing;*

- the Financial Services Working Group which includes *banking, insurance, investments, the New Development Bank (NDB)*;
- the Energy and the Green Economy Working Group which includes *electricity, renewable energy, solar power, natural gas, oil, hydropower; and*
- the Skills Development Working Group.

The discussions and meetings within the BRICS Business Council have resulted in proposals and recommendations relating to:

1.4. initiatives and steps to be taken by the BRICS Business Council and Business in the BRICS countries

The BRICS Business Council will in partnership with the Business communities in the BRICS countries:

- 1.4.1. create a dedicated BRICS Business information exchange platform (BRICS Business Portal) to stimulate and accelerate the exchange of trade, business and investment information. This Business Portal will be facilitated by the BRICS Business Council Secretariat and the China BRICS Business Council
- 1.4.2. host and support the holding of sector specific trade fairs, exhibitions and forums within the BRICS nations, to promote trade, business, investment and manufacturing ties amongst BRICS countries (also mentioned under clause 1.6.6.)
- 1.4.3. launch a special section on the website of each BRICS Business Council Chapter and on the websites of the Chambers of Commerce or other Business representative organisations to post all BRICS business related information and updates and commercial proposals from business or potential joint venture partners
- 1.4.4. exchange business, trade, investment and manufacturing related best practices amongst Businesses in the BRICS countries.

1.5. measures and interventions to be considered by BRICS Governments

The BRICS Business Council suggests that the BRICS Governments should consider to:

- 1.5.1. make special arrangements on visas to facilitate and encourage BRICS people-to-people exchange, including simplify the visa approval procedures and reduce the time of approval
- 1.5.2. accelerate the establishment of the NDB to promote trade, business, investment and manufacturing ties amongst the BRICS countries and

expand the influence and respect of the BRICS nations at international level

- 1.5.3. cooperate and accelerate the harmonisation of certain technical standards
- 1.5.4. facilitate the establishment by financial institutions from BRICS countries of branches and subsidiaries in other BRICS nations, so as to promote trade, business and investment ties amongst the BRICS countries
- 1.5.5. support and facilitate the role of industrial associations in boosting Business cooperation amongst BRICS countries
- 1.5.6. create a favourable environment to promote trade, business, investment and manufacturing ties amongst BRICS countries and treat BRICS businesses, corporations and investments similar to local businesses, corporations and investments
- 1.5.7. in partnership with South Africa and certain African Governments:
 - 1.5.7.1. build and maintain a favourable and competitive environment in Africa for trade and investments from BRICS businesses
 - 1.5.7.2. enhance cooperation of financial agencies between BRICS countries and Africa.

1.6. initiatives and measures which the BRICS Governments should consider undertaking with the BRICS Business Council and Business in the BRICS countries:

- 1.6.1. enhancing logistics and connectivity amongst BRICS countries
- 1.6.2. promoting the common interests and objectives of BRICS countries on trade, business, investment and manufacturing ties
- 1.6.3. promoting cooperation in infrastructure development amongst BRICS countries and in 3rd (third) countries
- 1.6.4. promoting Public-Private-Partnerships amongst BRICS Businesses and BRICS Governments
- 1.6.5. promoting cooperation in mining, minerals beneficiation and adding value to minerals, energy and green economy, pharmaceuticals, agro-processing, the services industry including financial services, Information and Communications Technology(ICT), transportation, healthcare and tourism, manufacturing and value added manufacturing , small, medium and macro-enterprise development, sustainable development, skills development and the transfer of technology
- 1.6.6. host and support the holding of sector specific trade fairs, exhibitions and forums to promote trade, investment and manufacturing ties amongst BRICS countries (also mentioned under clause 1.4.2.)

- 1.6.7. promoting and increasing value-added trade and manufacturing amongst BRICS countries and between BRICS countries and Africa
 - 1.6.8. promoting win-win partnerships between BRICS countries and Africa in sectors such as agro-processing, mining, minerals beneficiation and adding value to minerals, value added manufacturing, infrastructure including transport and energy, as well as support skills development in Africa
 - 1.6.9. supporting co-investment in the North-South Corridor in Africa and co-investment in other African projects in partnership with BRICS corporations
 - 1.6.10. in partnership with South Africa and certain African Governments:
 - 1.6.10.1. evaluate the outlook and stability of mineral exports from certain African countries and the possibility of signing long-term contracts with African exporters; and
 - 1.6.10.2. allow and facilitate BRICS capital and investments to establish logistics zones
 - 1.6.11. The BRICS-Africa Council for Trade and Investment Promotion will be established as a Committee of the BRICS Business Council and serve as the advisory and coordinating body to support, advise and assist BRICS businesses to trade and invest in South Africa and Africa.
- 1.7. **key industries/sectors and projects that each BRICS Business Council Chapter wants to promote and advance in its trade, business and investment ties with the other BRICS countries, Africa and 3rd (third) countries**
 - 1.8. **barriers and bottlenecks to promoting trade, business and investment ties amongst BRICS countries and between BRICS countries and Africa**
 - 1.9. **recommendations on which there are differing views amongst the BRICS Business Council Chapters and on which discussions are ongoing.**

1.10 Conclusion

The progress and momentum of fulfilling the objectives of the “Declaration on the establishment of the BRICS Business Council” is increasing and the BRICS Business Council is confident that a solid foundation has been laid to promote and increase trade, business, investment and manufacturing ties amongst the BRICS countries and between the BRICS countries and Africa.

The BRICS Business Council is also pleased and encouraged by the trust, commitment and spirit that has developed amongst the BRICS Business Council Chapters to ensure that all the BRICS countries and Businesses from the BRICS nations benefit and grow from the

promotion and increase in trade, business, investment and manufacturing ties amongst the BRICS countries and between the BRICS countries and Africa.

2. INITIATIVES AND STEPS TO BE TAKEN BY THE BRICS BUSINESS COUNCIL AND BUSINESS IN THE BRICS COUNTRIES

The BRICS Business Council will in partnership with the Business communities in the BRICS countries:

- 2.1. create a dedicated BRICS Business information exchange platform (BRICS Business Portal) to stimulate and accelerate the exchange of trade, business and investment information. This Business Portal will be facilitated by the BRICS Business Council Secretariat and the China BRICS Business Council**

There have been extensive discussions amongst the ICT experts and representatives from the BRICS countries concerning the establishment and operation of a BRICS Business Portal. Good progress has been made and a Coordinators Working Group has been established and is functional. We expect the BRICS Business Portal to be fully operational in 2014.

In line with the BRICS Trade and Investment Cooperation Framework which was endorsed by the BRICS Trade Ministers in March 2013 in Durban, South Africa; The Center for BRICS Studies at FUDAN University, China was identified by the BRICS Business Council as the platform for the BRICS Business Portal.

The BRICS Business Council, the Working Groups and the Business communities in the BRICS countries will provide information regarding trade, business, investment and partnership opportunities in the BRICS countries and other relevant BRICS related information which will be posted on the BRICS Business Portal.

- 2.2. host and support the holding of sector specific trade fairs, exhibitions and forums within the BRICS nations to promote trade, business, investment and manufacturing ties amongst BRICS countries (also mentioned under clause 4.6)**

Several sector specific and other trade fairs, exhibitions and forums take place every year in each of the BRICS countries. The BRICS Business Council will, based on the advice of the Working Groups and the Business communities in the BRICS countries, identify and support certain specific trade fairs and exhibitions in the BRICS countries which will be focused on promoting trade, manufacturing and investment ties amongst the BRICS countries and between the BRICS countries and Africa.

- 2.3. launch a special section on the website of each BRICS Business Council Chapter and on the websites of the Chambers of Commerce or other Business representative organisations, to post all BRICS business related information and updates and commercial proposals from business or potential joint venture partners**

- 2.4. **exchange business, trade, investment and manufacturing related best practices amongst Businesses in the BRICS countries**

Information on best practices will be obtained, *inter alia*, from meetings of the Working Groups, the BRICS Business Forum and workshops/sessions at the BRICS trade fairs and exhibitions. This information will be posted on the BRICS Business Portal, the websites of the national Chapters, certain Chambers of Commerce and other Business representative organisations.

3. MEASURES AND INTERVENTIONS TO BE CONSIDERED BY BRICS GOVERNMENTS

The BRICS Business Council suggests that the BRICS Governments should consider to:

- 3.1. **make special arrangements on visas to facilitate and encourage BRICS people-to-people exchange, including simplify the visa approval procedures and reduce the time of approval**
- 3.2. **accelerate the establishment of the NDB to promote and facilitate trade, business, investment and manufacturing ties amongst the BRICS countries and expand the influence and respect of the BRICS nations at international level**
- 3.3. **cooperate and accelerate the harmonisation of certain technical standards**

The BRICS Business Council and the Working Groups should identify those key industries and expertise where benchmarking, mutual recognition of standards and certification is required amongst the BRICS nations.

- 3.4. **facilitate the establishment by financial institutions from BRICS countries of branches and subsidiaries in other BRICS nations, so as to promote trade, business and investment ties amongst the BRICS countries**

It is suggested that each BRICS Government should streamline the review and approval procedures for the establishment by financial institutions from BRICS countries of branches and subsidiaries in other BRICS countries to promote trade and investment amongst BRICS countries.

3.5. support and facilitate the role of industrial associations in boosting Business cooperation amongst BRICS countries

The ties and relationships amongst the BRICS industrial associations should be encouraged and strengthened and a system of regular communication should be established.

3.6. create a favourable environment to promote trade, business, investment and manufacturing ties amongst BRICS countries

BRICS Governments should establish an economic environment that is favourable to BRICS companies doing business in the BRICS countries and treat BRICS businesses, corporations and investments similar to local businesses, corporations and investments in line with WTO agreements.

3.7. in partnership with South Africa and certain African Governments, build and maintain a favourable and competitive environment in Africa for trade and investments from BRICS businesses

The BRICS-Africa Council for Trade and Investment Promotion will be established as a Committee of the BRICS Business Council and serve as the advisory and coordinating body to support, advise and assist BRICS businesses to trade and invest in South Africa and Africa.

The BRICS-Africa Council for Trade and Investment Promotion will engage and work with the Working Groups to identify and propose solutions to African Governments, concerning the obstacles, barriers and difficulties that BRICS companies experience when trading or investing in Africa. It will also assist and advise BRICS businesses in the establishment of win-win partnerships with African companies.

The BRICS Business Council will initiate discussions to facilitate and promote trade, business and investment relationships with African regional organisations like the Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC) and East African Community (EAC).

3.8. in partnership with South Africa and African Governments, enhance cooperation of financial agencies between BRICS countries and Africa

The BRICS and African countries should encourage their financial institutions to establish ties and to simplify approval procedures for, *inter alia*, equity investment by BRICS financing agencies in African businesses and support the financial institutions of BRICS countries to establish branches in Africa. African countries with developed

financial institutions should also conduct BRICS currency service businesses, currency swaps, establish business connections with BRICS financial institutions, cooperate in joint financing, business innovation and staff training.

4. INITIATIVES AND MEASURES WHICH THE BRICS GOVERNMENTS SHOULD CONSIDER UNDERTAKING WITH THE BRICS BUSINESS COUNCIL AND BUSINESS IN THE BRICS COUNTRIES

The BRICS Governments and Business in the BRICS countries should cooperate and consider:

4.1. enhancing logistics and connectivity amongst BRICS countries

4.1.1. The BRICS Business Council Infrastructure Working Group will establish an Infrastructure Working Group Logistics and Transportation Sub-committee which will advise and make recommendations on logistics and transportation issues in the BRICS countries including:

- policies and regulations
- supply/demand of enterprises
- business cooperation opportunities
- logistics and transportation pricing
- building relations between logistics and transportation industry associations in the BRICS countries; and
- organising regular BRICS logistics and transportation industry exhibitions

4.2. promoting the common interests and objectives of BRICS countries on trade, business, investment and manufacturing ties

There has been a lack of effective communication and alignment of interests amongst BRICS countries on trade. This has impeded and undermined the advancement of their common interests on trade.

The BRICS Business Council suggests that the BRICS Governments should hold regular discussions on trade policies, including anti-dumping, anti-subsidy, trade facilitation and other trade related matters.

In the spirit of mutual trust and commitment, these discussions should identify and eliminate trade barriers and obstacles to trade, manufacturing and investment

ties amongst the BRICS countries and also focus on building mutually beneficial long-term relations that will promote trade, manufacturing and investment ties amongst the BRICS countries.

Bilateral or multilateral engagement within the framework of the BRICS partnership should be the first priority for dealing with problems regarding trade policies amongst BRICS countries.

BRICS countries should expand the scope and scale of pricing and payments in local currency for BRICS deals and transactions. They should also develop the necessary infrastructure to support payment in the local BRICS currency, including the settlement system and formulate the relevant supporting policies.

BRICS nations should enhance communication and collaboration at central bank level and scale up currency swaps to reduce the utilisation of non-BRICS currencies in their trade and investment transactions.

BRICS countries should also fully exploit the potential of the BRICS Interbank cooperation mechanism and take advantage of the opportunities provided by the Master agreement on extending credit facility in local currency signed within its framework.

4.3. promoting cooperation in infrastructure development amongst BRICS countries and in 3rd (third) countries

BRICS countries should exploit their infrastructure development potential. BRICS companies can cooperate and complement one another's advantages to fund infrastructure projects in the BRICS countries and in 3rd (third) countries.

The BRICS Business Council Infrastructure Working Group will actively track the influences of world trade and the growth of trade on infrastructure and share the industry's success stories in terms of technologies, specifications, talent resources, operations, management and work together to boost the common development of BRICS enterprises. The Infrastructure Working Group will also discuss new infrastructure cooperation opportunities in the BRICS countries and in 3rd (third) countries for investment, financing and guarantee mechanisms; as well as new models and channels for multilateral cooperation, investment facilitation, guarantee of rights, financial innovation, risk control and cross-border cooperation among equipment manufacturers and project contractors.

4.4. promoting Public-Private-Partnerships (PPP) amongst BRICS Governments and Businesses which are from other BRICS countries

The BRICS Business Council suggests that when the BRICS Governments undertake or deliver large scale projects or provide certain public services they should encourage private companies from other BRICS countries to establish mutually beneficial partnerships with them, in which the BRICS Governments and the private companies pursue similar goals, share common interests and assume risks together. The Public-Private-Partnership can be established and operated on the basis of a:

- Build-Operate-Transfer (BOT) or
- Build-Own-Operate-Transfer (BOOT) or
- Private Finance Initiative (PFI) or
- Design-Build (DB)

relationship or other mutually beneficial partnership.

4.5. promoting cooperation in mining, minerals beneficiation and adding value to minerals, energy and green economy, pharmaceuticals, agro-processing, services including financial, ICT, transportation, healthcare and tourism, value added manufacturing development, small, medium and macro-enterprise development, sustainable development, skills development and the transfer of technology

4.5.1. Manufacturing:

There are numerous manufacturing opportunities with huge potential for collaboration and partnership amongst BRICS countries.

4.5.2. Finance, Agro-Processing, Mineral Beneficiation and Sustainable Development:

The BRICS Business Council proposes that BRICS financial institutions structure innovative financial products for investment in the exploitation and beneficiation of minerals and agro-processing opportunities in BRICS countries.

The BRICS Business Council suggests that financial institutions in BRICS countries should collaborate amongst themselves and work with their international multilateral peers, to draw upon extensive research findings and funding experience, share market and project information, actively carry out pragmatic cooperation on syndicated loans, co-financing, trade financing and sub-loans and provide a stronger impetus to overseas market expansion by enterprises from the BRICS countries.

4.5.3. Energy and green economy:

The BRICS Business Council suggests that BRICS Governments should promote and encourage renewable energy projects in the BRICS countries.

BRICS countries should, through the BRICS Business Council and its Energy and Green Economy Working Group, establish a robust mechanism for BRICS cooperation and collaboration in the field of energy and green economy, and also coordinate their standpoints from a united position particularly at an international level. BRICS countries should also:

- consider the advice and recommendations of the BRICS Business Council and the Energy and Green Economy Working Group
- reduce restrictions on internal investment and financing for energy and green economy projects
- remove barriers and obstacles to developing business in the energy and green economy industry.

4.6. hosting and supporting the holding of sector specific trade fairs, exhibitions and forums within the BRICS nations to promote trade, business, investment and manufacturing ties amongst BRICS countries (also mentioned under clause 2.2)

4.7. promoting and increasing value-added trade and manufacturing amongst BRICS countries and between BRICS countries and Africa

The BRICS Governments should introduce policies to:

4.7.1. stimulate foreign trade for high value-added products, including high-tech innovative products with proprietary Intellectual Property Rights (IPR), agro-processing, mineral beneficiation and high-end service industry to raise the quality of trade

4.7.2. facilitate and support high value-added export enterprises

4.7.3. protect IPRs.

4.8. promoting win-win partnerships between BRICS countries and Africa in sectors such as agro-processing, mining, minerals beneficiation and adding value to minerals, manufacturing and value added manufacturing, infrastructure (including transport) and energy, as well as support skills development in Africa

Although out-of-date infrastructure remains one of the major bottlenecks hindering the economic development of Africa, it also contains huge investment opportunities. Building railways, highways, ports, roads, medical facilities and schools will create job opportunities, fuel economic growth and improve the living standards of Africans.

The BRICS Business Council believes that Africa should be the prime focus for BRICS countries to cooperate and develop the infrastructure of Africa and also co-invest in manufacturing and other value adding industries.

BRICS countries can develop and invest in infrastructure projects in Africa:

- by constructing, financing and co-managing large-scale transnational projects in Africa, such as the “North-South Corridor in Africa”.
- by encouraging their export credit agencies, development banks and financing agencies to start operations to deliver financing, planning and scheme support for infrastructure development of African countries.
- by encouraging BRICS enterprises, corporations and financial institutions to participate in Africa’s development corridors, trans-national and trans-regional infrastructure development projects in partnership with African financial institutions.
- by assisting African countries with the preliminary services including consulting, planning, feasibility studies and scheme design, as well as training and transferring skills to African managerial and technical staff working in the field of infrastructure.
- by creating favourable conditions to engage and partner with African financial institutions and enterprises for the mutual benefit of the BRICS and African countries and enterprises.

The development of Africa’s infrastructure and the growth of Africa’s economies provides an exciting long-term market for goods and services produced in BRICS countries.

4.9. supporting co-investment in the North-South Corridor in Africa and co-investment in other African projects in partnership with BRICS corporations

4.9.1. BRICS countries and corporations should establish partnerships to increase investments and joint ventures in the North-South Corridor in Africa and other African corridors and projects. For example, they can expand direct investment in African countries by:

- virtue of “greenfield investment”
- boosting the infrastructure development level of African countries in a fast and efficient way through “turnkey” projects
- helping African countries build large infrastructure projects including railways, highways, ports, terminals, pipelines, power plants, amongst others; by means of build–operate–transfer (BOT) project financing and
- realizing technology transfer through equipment export to upgrade the overall level of African infrastructure development.

4.9.2. The BRICS Business Council suggests that BRICS countries increase financial support and promote infrastructure development and other projects in African countries through:

- providing preferential low-interest or interest-free loans to support infrastructure development and relevant projects launched by African countries
- increasing the scale and total amount of export credit of BRICS export-oriented companies and offer preferential and convenient buyer's credit to African companies
- cooperating on bilateral currency swaps with African countries with a view to facilitating and accelerating African infrastructure development
- refining securities margin trading business system of BRICS companies in Africa and increase their overseas operational capacity.

4.9.3. The BRICS Business Council also suggests that BRICS countries accelerate the development of the North-South Corridor in Africa and seek to abate some debts of African countries through consultation with other members to relieve the foreign debt stress of African beneficiary countries and enhance their economic strength and raise the export capability of African countries.

4.10. in partnership with South Africa and certain African Governments, evaluate the outlook and stability of mineral exports of certain African countries and the possibility of signing long-term contracts with African exporters

BRICS countries should:

- enhance communications and coordination with mineral-rich African countries
- set up in partnership with African Governments an overall plan for mineral resource exploitation in Africa that advances the interests of the BRICS and African countries
- establish partnerships and joint ventures with African corporations to add value and benefit the minerals in Africa
- cooperate with major mineral-rich African countries and develop the information and service system of African mineral resources for the benefit of both BRICS nations and Africa
- advise and provide inputs for decision-making of Governments and enterprises
- initiate efforts to explore the possibility of utilizing the resources of mineral-rich African countries to assist in initiating infrastructure and other investment projects.

- 4.11. in partnership with South Africa and certain African Governments, allow BRICS capital and investments to establish logistics zones in certain African countries**

The construction of logistics zones and the handling capacity of ports is important for developing and increasing trade and investment ties between the BRICS countries and Africa.

The appropriate taxation and financial subsidies are required from the African countries as well as the support from the BRICS financial institutions to fund and coordinate the BRICS capital and investments to establish logistics zones in African countries.

5. KEY INDUSTRIES/SECTORS AND PROJECTS THAT EACH BRICS BUSINESS COUNCIL CHAPTER WANTS TO PROMOTE AND ADVANCE IN ITS TRADE, BUSINESS AND INVESTMENT TIES WITH THE OTHER BRICS COUNTRIES, AFRICA AND 3RD (THIRD) COUNTRIES

Each BRICS Business Council country identified key industries/sectors and projects that it wants to promote domestically as well as industries/sectors and projects that it wants to pursue in the other BRICS countries.

This creates opportunities to increase the trade and investment ties amongst the BRICS countries and for the establishment of globally competitive partnerships and joint ventures.

5.1. India

5.1.1. Industries/sectors that India wants to promote:

- **Infrastructure**
 - Railroads for freight and passengers
 - High speed rail
 - Highways and expressways
 - Seaports
 - River transport and waterways
 - Airports, especially low-cost airports
 - Logistics infrastructure
 - Urban transport infrastructure, especially metros and trams
 - Manufacturing of equipment and machinery for all of the above

- **Financial Services**
 - Commercial banking
 - Development finance
 - Infrastructure financing
 - SME and export finance
 - Asset Management
 - Insurance
- **Energy and Green Economy**
 - Oil and Gas
 - Oil and Gas, Energy and Petroleum (E&P)
 - Unconventional hydrocarbons sources
 - Technical cooperation in R&D
 - Deep water, ultra deep water and unconventional oil and gas technologies
 - Gas Pipeline infrastructure
 - Nuclear Energy
 - Nuclear equipment and technologies
 - Thermal Energy
 - Coal mining and beneficiation
 - Power or Electricity
 - Hydro power
 - Electrical equipment
 - Renewables: solar, wind, bio-energy
 - Developers and Manufacturers
- **Manufacturing**
 - Pharmaceuticals and Generic medicines
 - Hospitals and healthcare
 - Mining and beneficiation of minerals
 - Agriculture and Agro-processing
 - Heavy commercial vehicles and construction equipment
 - Energy and power sector equipment
 - Auto and auto components
 - Capital goods
 - Locomotives
- **Skills Development**
 - Automobile and auto-components
 - Banking/Insurance and financial services
 - Building and construction industry
 - Chemicals and pharmaceuticals
 - Educational and skill development services
 - Electronics hardware
 - Food processing

- Gem and jewellery
- Healthcare services
- ITES or software services/products
- Leather and leather goods
- Tourism, hospitality and travel trade
- Construction

5.1.2. Projects that India wants to promote:

- **Infrastructure**
 - Highways
 - 2000 km in Engineering, Procurement and Construction (EPC) contracts
 - 3000 km on Public Private Partnership (PPP) Highway contracts at state level
 - Projects for three Indian expressways
 - Railways
 - Western Dedicated Freight Corridor (Delhi-Mumbai) 1483 km
 - Eastern Dedicated Freight Corridor (Ludhiana to Kolkata) 1300 km
 - High speed rail projects between various cities
 - Over 30 railway stations to be upgraded on PPP
 - Manufacturing of locomotives and rolling stock
 - Railway signals and technology upgrades
 - 10 Indian cities developing urban public transport systems
 - Sea Ports
 - Sagar (West Bengal) capacity 54 mtpa
 - Dugarajapatnam (Andhra Pradesh) capacity 50 mtpa
 - Upgrading 12 existing major ports
 - Over 20 private ports under development
 - Airports
 - 6 airports to be given out for private O&M (operations and management)
 - New airports at several locations
 - Upgrade of over 20 non-metro airports
 - Logistics
 - Large project opportunities across the entire value chain of logistics
 - Other co-investment and partnership ventures
 - Manufacturing of all equipment in India
 - Manufacturing wherever possible in Africa
 - High technology partnerships being brought into India and Africa

- **Financial Services**
 - Participation in large Indian infrastructure projects
 - Investments in manufacturing zones under India's new National Manufacturing Policy
- **Energy and Green Economy**
 - Joint Ventures / Investment or Co-Investment / Process Technology Partnerships in:
 - Oil and Gas Exploration and Production
 - Liquefied Natural Gas trade
 - Coal Bed Methane projects
 - Underground coal gasification projects
 - Coal to oil conversion projects
 - Beneficiation of thermal coal and metallurgical coal
 - Gas pipeline infrastructure
 - Owning and operating of coal mines
 - Photovoltaic manufacturing and solar development
 - Wind turbine technology and wind turbine supply
 - Technology transfer for renewable power projects
 - Globally competitive, manufacturing partnerships and businesses
 - Partnerships in nuclear equipment and technologies
 - Deep water and ultra-deep water technology
 - Modernisation of existing power infrastructure
 - Export of wind turbine and its components
 - Product technology partnership for manufacturing components locally
 - Other co-investment and partnerships, ventures and Businesses
 - Sharing of best practices in nuclear regulation and safety norms
 - Alliance with Brazil for bio-ethanol production
 - Import of passive infrastructure for solar power projects
 - Nature of Partnerships
 - Joint efforts in sourcing and commercially exploiting energy supplies, including petroleum & natural gas
- **Manufacturing**
 - Mining & Beneficiation of minerals
 - High productive surface mining and Deep Underground mining
 - Beneficiation: dry, wet and non-invasive
 - Pelletisation of iron ore concentrate
 - Mill tailings beneficiation: gold, nickel, etc

- Infrastructure and industrial projects
- Passive infrastructure for telecoms and solar
- Wind turbines
- Coal mining in South Africa (non-coking coal)
- Construction
- Lead and Zinc mining in Rajsamand, Rajasthan
- Natural gas / hydrocarbons / coalbed methane project
- Cogeneration
- Angel / Seed funding
- Partnerships in upstream oil and gas (LNG & CNG)
- Industrial gas power projects
- **Skills Development**
 - Capacity building of Government/ private agencies in skill development
 - Content development and licensing
 - Technology aids for skill development like mobile phone based/ internet based, community computer training aids including hardware and software
 - Training of trainers
 - Design of training labs that are workplace simulated and hence significantly enhance the effectiveness of training
 - Creation of trade wise programs including blended ones
 - Establishment and operation of Centers of Excellence for various trades in these countries through joint investments

5.2. China

5.2.1. Industries/sectors that China wants to promote

- **Infrastructure**
 - High speed railway construction
 - Highway construction
 - High speed train and locomotive manufacturing
 - Ocean shipping
 - Sea port construction
 - Terminal operation
 - Logistics
 - Offshore engineering infrastructure (floating production, storage and offloading (FPSO), Drilling rig, etc)
 - Airport construction
- **Financial Services**
 - Trade settlement in local currencies of BRICS countries and other internationalization initiatives of BRICS currencies

- Independent rating agency
- Stability of the financial environment and policy coordination
- Export credit agencies and policy financial institutions
- Security of IT application of financial service
- **Energy and Green Economy**
 - Oil and gas exploration and production
 - Renewable energy especially hydro power
 - Power generation and infrastructure
- **Skills Development**
 - Infrastructure
 - High-end manufacturing and other high-technology fields
 - Internet
 - Information and communication
 - Transportation and logistics
 - Medical care
 - Education and training
 - Energy and environment protection
 - Financial services

Accordingly, the particular skills to be further developed are:

- Electronic information
- Communication engineering
- Biology technology
- Pharmaceutical industry
- Automobile manufacturing
- Logistics management
- Composite material
- Enterprise management
- Marketing
- International finance
- **Manufacturing**
 - Materials production
 - Aircraft manufacturing (including aircraft parts and components)
 - Environmentally friendly manufacturing
 - Electrical appliances
 - Home life integrated solutions

5.2.2. Projects that China wants to promote

- **Infrastructure**
 - Investment in Africa's North-South Corridor, Central Corridor among other large-scale infrastructure projects in BRICS countries
 - Manufacturing of high speed trains and locomotive assembly
 - Transfer advanced technology of terminal operations to improve handling efficiency of sea ports
 - Transportation of minerals, oil and gas from Africa
 - Partnerships between BRICS commodities exporters and China's ports
 - Liquefied Natural Gas (LNG) transportation
 - LNG vessel building and other offshore engineering for Russia's YAMAL gas field project
- **Financial Services**
 - Joint financial facilities that can enhance connectivity amongst BRICS countries and to the harmonization efforts of respective industry standards
 - Large infrastructure projects in BRICS and African countries
 - Investments in energy and natural resources
 - Finance for shipbuilding and shipping services
 - Possible collaboration by means of co-financing and syndication
- **Skills Development**
 - Introduce skilled workers who are urgently needed from BRICS countries such as automobile manufacturing, international finance, energy and environment protection, biology and IT technology
 - Carry out cooperation between Chinese colleges, training schools and their counterparts in BRICS countries or Africa
 - Invest in internet connectivity, especially in rural areas, to enhance the reach and effectiveness of e-learning
 - Invest in logistics, transportation and courier businesses, nurture skilled workers to enhance the reach and effectiveness of online shopping businesses
 - Establish equivalence levels between different standards in BRICS countries by working with standards setting agencies
- **Manufacturing**
 - Cement, ceramic, glass engineering
 - Mining
 - Materials processing & transportation
 - Disposal of refuse, sludge, sewage, and hazardous waste

- Communications/ICT
- Cement imports/exports

5.3. Russia

5.3.1. Industries/sectors that Russia wants to promote:

- **Infrastructure**
 - Logistics
 - Joint projects in engineering
 - International transport corridors in BRICS countries
- **Financial Services**
 - Foreign direct investments
 - Banking sector
 - Export credit agencies
 - Independent rating agencies
 - National investment organizations
 - Co-financing mechanism for multilateral projects
- **Energy and Green Economy**
 - Supporting the technologies that have lower emissions, such as natural gas and unconventional gas
 - Nuclear energy, including the ability to transfer technology
 - Hydropower
 - Energy saving and energy efficiency technologies
 - Biofuels
- **Manufacturing**
 - Energy
 - Transport
 - Communications
 - Electronics
 - Machinery
 - Infrastructure
 - High Technology
- **Skills Development**
 - strengthening collaboration between BRICS universities
 - partnerships and knowledge exchanges on technical vocational education and training
 - portability and transferability of qualifications between BRICS countries

5.3.2. Projects that Russia wants to promote:

- **Infrastructure**
 - Aviation, helicopter
 - Transport engineering
 - Exchange of high technology and new production solutions
 - Development and modernization of transport infrastructure
 - Logistics and cargo delivery
 - Passenger rail service, including high speed rail lines
 - Development of port infrastructure
- **Energy and Green Economy**
 - Common agenda to build stable legal, tax, and regulatory frameworks for the gas industry
 - Dialogue on actions needed to foster financing for green and low carbon intensive technologies in BRICS countries
 - Collaborate on R&D for enhanced nuclear safety and for the establishment of a common framework for emergencies
 - Encourage the development of natural gas technologies
 - Solar energy projects development and solutions appropriate for India and Africa
 - Technology transfer for energy saving technologies
- **Financial Services**
 - Transport infrastructure (development and modernization)
 - Logistic and cargo delivery
 - Manufacturing sector (steel industry in particular)
 - Aviation, helicopter and transport engineering
 - Aerospace industry
 - Energy (hydropower, thermal energy and nuclear power)
 - Infrastructure, transport and logistics
 - Exchange of high technology and new production solutions
 - Agriculture
 - Passenger rail service, including high-speed lines
 - Development of port infrastructure
 - Mining and metallurgical industries
 - Skills development and education
 - Pharmaceutical industry
 - Healthcare services
- **Manufacturing**
 - Air traffic control systems
 - Multi-functional mobile ports
 - Raw materials and infrastructure
 - Complex automated security systems

- Helicopters, helicopter engineering and helicopter Service centres
- Gas turbine engines for marine applications
- Power generation equipment
- **Skills Development**
 - creation of innovative system of professional training and skills development for:
 - mining and metallurgical industries
 - engineering
 - technology sector
 - pharmaceutical industry
 - healthcare services

5.4. South Africa

5.4.1. Industries/sectors that South Africa wants to promote

- **Infrastructure**
 - Railways, seaports, terminal operations (sea and air)
 - Roads, airports
 - Logistics and interconnectivity
 - Telecommunication/ICT
 - SMME's (Small, medium and micro enterprises)
- **Financial Services**
 - The financial services industry in the broadest sense
 - The development of financial institutions
 - Banking environment
 - Insurance including long and short term insurance
 - Asset managers
 - The Johannesburg Stock Exchange and other exchanges
 - Real estate
 - SMME's Financing
- **Energy and Green Economy**
 - Oil and gas exploration and production including unconventional gas
 - Renewable energy including the research and development of renewable energy technology
 - Off grid-solutions linked to Renewable Energy
 - Nuclear energy, including the ability to localise production
 - Bio-fuel production such as ethanol
 - Hydropower
 - Clean coal technology
 - SMME's

- **Skills Development**
 - Infrastructure
 - Health Care
 - ICT
 - Mining and resources
 - Financial services

Accordingly, the following particular skills are required to be further developed:

- Engineering
- Artisans
- Specialised welders
- IT professionals
- Project management
- Mathematics and science teachers
- Nursing
- General management
- Finance
- **Manufacturing**
 - Value added manufacturing
 - Minerals beneficiation
 - Adding value to minerals
 - Agro-processing
 - Pharmaceuticals
 - High technology
 - Telecommunication/ICT
 - SMME's
 - Electricity metering
 - Railway infrastructure technology
 - Clothing manufacturing
 - Mining supply services
 - Valves and actuators
 - Flat and patterned glass
 - Aluminium products

5.4.2. Projects that South Africa wants to promote

- **Infrastructure**
 - The North-South Corridor (US\$2.3bn)
 - The Central Corridor (US\$840m)
 - The Beira – Nacala Multimodal Corridor (US\$450m)
 - The Southern African Hub Port and Rail Programme (US\$2.27bn)

- The BRICS undersea cable (US\$1.5bn)
- The Durban Dig-Out Port (“DDOP”) (+/-US\$6bn)
- Developments along South Corridor
- Manufacturing of cargo handling equipment
- Locomotive assembly and high value component localisation
- Automatic Train Authorisation Systems, high speed trains
- Trans-Cunene Corridor
- Other corridors and investment projects that the African Union promotes and supports
- Telecommunication/ICT
- **Financial Services**
 - Construction and upgrade of railway infrastructure, port infrastructure and equipment, research and development, cross border infrastructure in Africa
 - Promoting the NDB; Contingent Reserves Arrangement and Trade and Development Risk Pool
 - Opportunities for the BRICS countries to participate in funding infrastructure development
 - Areas that require investment:
 - Infrastructure projects
 - Minerals beneficiation projects
 - Energy projects
 - Value added manufacturing projects
 - Green economy projects
 - Financial inclusion specifically for the Financial Services Working Group
- **Energy and Green Economy**
 - Residual capacity allocations within the Integrated Resource Plan that have not yet been allocated to Eskom or Independent Power Producers (IPP)
 - Lesotho Highlands Water Project Phase 2
 - North – South Power Transmission Corridor – 8000 km line from Egypt to South Africa
 - Infrastructure roll-out for shale gas in South Africa including power lines, pipelines and power plants
 - MphandaNkuwa – construction of a 1500 MW hydro power station in Zambezi Basin
 - Namibia – Kudu gas project
 - Batoka Gorge Hydro Power – Hydroelectric plant with capacity of 1600 MW in Zambia and Zambezi Basin
 - Expansion of Inga and Grand Inga

- Liquefied Natural Gas (LNG) multi-phase development opportunities in Mozambique and Tanzania
- Refined oil product pipeline opportunities in Uganda and Kenya
- Integration of new megawatts from IPP renewable bidders into the Eskom grid
- Large scale energy storage
- Coal 3 technology choices including clean coal options
- Explore gas options to secure gas supplies for power generation
- Advanced metering infrastructure, architecture and systems
- Concentrated Solar Power with thermal storage
- Real time asset management techniques
- Manufacturing facilities in South Africa for solar photovoltaics and wind
- **Skills Development**
 - Upskilling and developing artisans and specialised welders
 - Upskilling and developing nurses
 - Collaboration on research and development by BRICS higher institutions on mineral extraction and beneficiation
 - Investment in broadband, high speed internet connectivity to further enhance the reach and effectiveness of e-learning
 - Exchange of know-how and capacitation of Further Education and Training (FET) colleges in order to urgently uplift standards
- **Manufacturing**
 - Value added manufacturing projects
 - Minerals beneficiation projects
 - Projects which add value to minerals, inter alia, jewellery manufacturing
 - Agro-processing projects
 - Infant milk nutritional and pharmaceutical products
 - Electronics products
 - Thrombosis pharmaceutical products
 - Renewable energy
 - Telecommunication/ICT
 - Packaging (containerboard)
 - Dissolving woodpulp for textile manufacturing
 - Gold and platinum, multi-track remote controlled mining machines
 - Electric locomotives

- Imports of copper rod, turned copper wire, polymers/compounds, tapes and yarns, coated steelwire and optical fibre for Russia, Europe and the USA
- Commercial vehicles, vehicle adaptation, lightweight design, improved performance
- Suspended slabs and housing

5.5. Brazil

5.5.1. Industries/sectors that Brazil wants to promote:

- **Infrastructure**
 - Development and modernization of bus infrastructure and passengers transport
 - Passenger Bus service, including Bus Rapid Transport (BRT)'s System
 - Development of rural and urban School Bus system
 - Bus link management connections - intercity and interstate
 - Bus management system for large fleets
 - Develop infrastructure projects in the BRICS and 3rd (third) countries as follows:
 - Highways, expressways and transport corridors
 - Urban transport and mobility infrastructure, such as metros, tramways etc
 - Seaports and airports construction
 - Concessions
 - Water supply and sanitation
 - Develop infrastructure in the BRICS and in 3rd (third) countries through the use of the NDB to offer guarantee mechanisms to foster business between companies of the BRICS countries
- **Financial Services**
 - NDB; Contingent reserves arrangement and Trade and Development Risk Pool
 - Develop infrastructure in the BRICS and in 3rd (third) countries through the use of the NDB to offer guarantee mechanisms to foster business between companies of the BRICS countries
 - Opportunities for the BRICS countries to participate in funding infrastructure development
 - Areas that require investment:
 - Infrastructure projects
 - Energy projects; and
 - Green economy projects

- **Manufacturing**
 - Agribusiness
 - Bus industry
 - Steel mills, siderurgy
 - Electrical engineering
 - Chemicals
 - Information technology
 - Mining and minerals
 - Automotive and autoparts; and
 - Electro-electronicsIndustrial Equipment
 - Equipment for the Generation, Transmission and Distribution of electricity
- **Energy and Green Economy**
 - Greater focus on sustainable fuels such as biofuels
 - Forestry sector
 - Develop infrastructure projects in the BRICS and in 3rd (third) countries as follows:
 - Hydropower construction and transmission lines;
 - Oil and gas exploration and production
 - Pipelines infrastructure
- **Skills Development**
 - These are the specific industries and sectors in which Brazil is developing skills and expertise and which are important for its trade and investment ties with the other BRICS countries:
 - Mineral technologies
 - Micro-electronics
 - Logistics
 - Biomass
 - Electro-chemistry
 - Laser technology
 - Embedded system
 - Manufacturing systems
 - Integrated solutions in Metal-Mechanics
 - Polymer engineering
 - Constructive technologies
 - Renewable energy
 - Information and communication technology
 - Conformation and Welding
 - Production Automation Systems
 - Surface Engineering
 - Metallurgy and Special Alloys
 - Extra High Electric Power

- Virtual production systems
- Applied chemistry
- Ceramic engineering
- Biotechnology
- Micro-manufacturing technology
- Oil and gas
- Healthcare
- Health and safety
- Wellbeing at workplace

5.5.2. Projects that Brazil wants to promote:

- **Financial Services**
 - Infrastructure concessions, financial institutions purchase and automobile and electronics factories and construction
- **Energy and Green Economy**

Cooperation opportunities to develop the largest ethanol programme in the world to substitute fossil fuels include:

 - Agricultural sector
 - Industrial processing and other technologies
 - Logistics and distributions
 - Knowledge exchange on the automobile industry
 - Public policies on sustainable practices
 - Direct investments
 - Arboreal technology
 - Planted Forests
 - Nanocellulose
- **Skills Development**
 - Design of new educational technologies to promote skills development
 - Elaboration of education methodologies and curriculum designs
 - Creation of institutional management models
 - Training of trainers
 - Technical and pedagogical support of courses (technology aid for skills development)
 - Laboratorial services
 - Design and operation of Technical and Vocational Education and Training Centres
 - Creation of a specific fund for international cooperation to foster joint programmes on Skills Development
- **Infrastructure**
 - Investment opportunities in different sectors along the Nacala Corridor in Mozambique / Malawi; and

- Investment in transport infrastructure in Brazil
- **Manufacturing**
 - Globally competitive, manufacturing partnerships and businesses
 - Technology transfer and high technology partnerships and businesses; and
 - Other co-investment and partnership ventures and businesses

6. BARRIERS AND BOTTLENECKS TO PROMOTING TRADE, BUSINESS AND INVESTMENT TIES AMONGST BRICS COUNTRIES AND BETWEEN BRICS COUNTRIES AND AFRICA

The BRICS Business Council has identified, *inter alia*:

- 6.1. the delays and the lengthy waiting periods before visas are issued
- 6.2. the lack of harmonisation of certain technical standards and
- 6.3. tariff and non-tariff barriers

as some of the barriers and bottlenecks to promoting trade, investment and manufacturing ties amongst the BRICS countries.

Proposals and possible solutions in relation to the problems and difficulties relating to visas and the challenges relating to the harmonisation of certain technical standards were made under clauses 3.1 and 3.3 respectively.

The majority of the challenges in relation to tariff and non-tariff barriers relate to administrative burdens, time-lags for approvals and difficulties with Government procurement. The proposal in this regard is that action orientated discussions be held between the business communities and the BRICS Governments to see that regulations and other practices which impede trade and investment ties are repealed.

The BRICS-Africa Council for Trade and Investment Promotion will identify and propose solutions to the trade and investment barriers and bottlenecks that exists between BRICS countries and Africa as stated under clause 3.7.

7. RECOMMENDATIONS ON WHICH THERE ARE DIFFERING VIEWS AMONGST THE BRICS BUSINESS COUNCIL CHAPTERS AND ON WHICH DISCUSSIONS ARE ONGOING

There are certain proposals and recommendations relating to trade, business and investment ties amongst the BRICS countries which individual BRICS Chapters have made and on which there are, at this stage, differing views and discussions are ongoing. These are:

- 7.1. the conclusion of a BRICS Freer Trade Mechanism
- 7.2. the promotion of generics by BRICS countries; and
- 7.3. promoting the elimination of export subsidies in agriculture

8. CONCLUSION

The progress and momentum of fulfilling the objectives of the “Declaration on the establishment of the BRICS Business Council” is increasing and the BRICS Business Council is confident that a solid foundation has been laid to promote and increase trade, business, investment and manufacturing ties amongst the BRICS countries and between the BRICS countries and Africa.

The BRICS Business Council is also pleased and encouraged by the trust, commitment and spirit that has developed amongst the BRICS Business Council Chapters to ensure that all the BRICS countries and Businesses from the BRICS nations benefit and grow from the promotion and increase in trade, business, investment and manufacturing ties amongst the BRICS countries and between the BRICS countries and Africa.

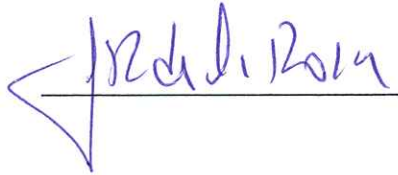
Chairperson of Brazil BRICS Business Council

Name:

Signature:

Date:

Mr José Rubens de la Rosa



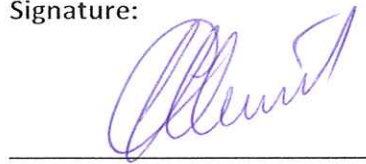
Chairperson of Russia BRICS Business Council

Name:

Signature:

Date:

Mr Sergey Katyrin



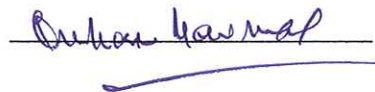
Chairperson of India BRICS Business Council

Name:

Signature:

Date:

Mr Onkar Kanwar



Chairperson of China BRICS Business Council

Name:

Signature:

Date:

Mr Ma Zehua



Chairperson of South Africa and BRICS Business Council

Name:

Signature:

Date:

Mr Patrice Motsepe